

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 540 - SB 1035**

April 10, 2015

**SUMMARY OF BILL:** Prohibits local governments from charging fees in excess of \$200 for the issuance of a permit authorizing excavation, demolition, or similar operations for below-ground utilities in any right-of-way.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – No impact to state government. No significant impact on local government in the short-term. However, to the extent any local government entity might seek to raise these permit fees above the stipulated \$200 cap, in the future, this proposal will trigger forgone permit fee revenue of an unknown amount.**

Assumptions:

- This bill relates to local government regulations of utility operations, and therefore the does not impact state government operations.
- To the extent any county charges in excess of \$200 for a permit, there would be a mandatory reduction in local government permit fee revenue.
- The County Technical Assistance Service (CTAS) reports that the majority of counties charge fees which are less than \$200 for the type of permits relating to this bill; therefore, any fiscal impact on local government operations is estimated to be not significant.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumption:

- Any impact to commerce as a result of establishing a cap on permit fees for excavation, demolition, or similar operations for below-ground utilities in any right-of-way, when the permit fees are currently considered to be less than the proposed cap of \$200, is considered to be not significant.

**HB 540 - SB 1035**

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is written in a cursive style with a large, stylized "J" and "S".

Jeffrey L. Spalding, Executive Director

/maf